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# TWENTY-EIGHTH ANNUAL REPORT

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Fiscal Year 1994



U.S. Department of Transportation  
Office of the Secretary



# **U.S. DEPARTMENT OF TRANSPORTATION**

**Twenty-Eighth Annual Report**

**Fiscal Year 1994**



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# Introduction

America is perhaps the world's most mobile society. In our short history, Americans have moved farther, gone faster, and made more progress than any other people on earth. To ensure further progress, the Secretary of Transportation, **Federico Peña**, on January 24, 1994, announced the Department of Transportation's **Strategic Plan**. This Plan, which restates DOT's mission to be the Federal steward of the Nation's transportation system, and challenged DOT employees and the Nation as a whole to put the Department in a position to succeed in the years to come.

The **Strategic Plan** defined the following mission:

*The Department of Transportation will 'Tie America Together' with a safe, technologically advanced, and efficient transportation system that promotes economic growth and international competitiveness now and in the future, and contributes to a healthy and secure environment for us and our children.*

The Department must efficiently and strategically distribute transportation dollars to meet all national needs in the current budget austerity. To meet DOT's mission, Secretary **Peña** challenged the Department to focus on seven strategic goals:

- 1) "Tie America together" through an effective intermodal transportation system;
- 2) Invest strategically in transportation infrastructure, which will increase productivity, stimulate the economy, and create jobs;
- 3) Create a new alliance between the Nation's transportation and technology industries, to make them more efficient and economically competitive;
- 4) Promote safe and secure transportation;
- 5) Actively enhance our environment through wise transportation decisions;
- 6) Put people first in our transportation system by making it relevant and accessible to users; and
- 7) Transform DOT by empowering employees in a new team effort to achieve our goals.

The Fiscal Year 1994 Report of the **U.S. Department of Transportation** reflects the **Strategic Plan** in action, describing many of the activities and accomplishments throughout the Department.





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# Strategic Goal I : Tie America Together

OBJECTIVE: ~~Achieve a new National Transportation System~~ that integrates ~~all modes~~ and emphasizes connections, ~~choices, and~~ coordination of transportation services and ~~that positions this country as an effective economic competitor in the~~ global market.

OBJECTIVE: Restore ~~the health of the aviation,~~ maritime, and passenger ~~rail industries~~

**National Highway System (NHS).** On December 9, 1993, at Union Station in Washington, DC, Secretary Peña unveiled the NHS. In collaboration with the states, the Federal Highway Administration (FHWA) proposed to Congress a NHS, which comprises 159,000 miles of the Nation's most important roads. In August, FHWA completed a survey and issued a report on intermodal facility inventories prepared by state and local governments, as required by the intermodal facilities management system regulations.

**National Transportation System (NTS).** While announcing NHS, the Secretary went on to invite members of Congress, other Federal agencies, state and local officials, businesses, and citizen groups to help shape a broader NTS. DOT officials embarked on a major outreach effort to elicit comments and discuss all aspects of NTS. The effort revealed widespread support for the NTS concept and recommended some changes in emphasis.

Among users, operators, and interest groups, there was also strong support for an integrated, multimodal transportation system. There was also strong support for the view that the focus of this system should be on flows and interconnections rather than on the identification of current, high-volume facilities.

The Department foresees three products emerging from the outreach effort: (1) a transportation performance monitoring system, a set of transportation performance measures that will allow DOT to evaluate how well the transportation system is accomplishing its goals and objectives; (2) National/regional level system analytical capability, a national intermodal network Geographic Information System (GIS) database

and model capable of showing how the existing transportation system is performing, identifying problems, and analyzing implications of alternative national transportation policies; and (3) a state of the transportation system report, to be completed early in 1996, that summarizes outreach findings and describes how the transportation system functions now and the policy implications for the future.

The Federal Railroad Administration (FRA) initially identified the routes of the Principal Rail Network for incorporation in NHS, with review and concurrence from the Association of American Railroads and its members. The Federal Transit Administration (FTA) also developed a plan to use the "strategic corridor" concept to contribute to the development of NTS.

The Maritime Administration (MARAD) defined the National Maritime System (NMS) to ensure that its import was fully recognized during development of NTS. NMS is composed of deepdraft ocean trades, deepdraft rivers, bays, and estuaries-including more than 1,205 miles of channels and canals. It includes more than 10,500 miles of shallow draft inland and intracoastal waterways, 160 locks and dams and 355 ports. NMS also includes the coastwise and inter-coastal deepdraft trades, U.S.-controlled offshore sealanes to Alaska, Hawaii, Puerto Rico, and Guam, and the Great Lakes deepdraft trades.

**Surface Transportation.** FHWA, with FTA and the Office of the Secretary (OST), developed and conducted 20 training sessions on intermodal planning and management systems required by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). FHWA and FRA conducted the first seven

## Strategic Goal I : Tie America Together

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of nine planned regional **ISTEA** intermodal workshops that were jointly developed to explore the rail community's role in state and local transportation planning. **FHWA** also initiated a U.S.-Mexico border technology exchange program.

**FRA** worked with Amtrak on the Strategic Plan for Amtrak that was made available to Amtrak's Board of Directors in September.

**FTA** completed the first stage of its **GIS** implementation, which consists of urban area maps, including more than one-half of public transit bus routes as well as rapid, light, and commuter rail networks.

**Maritime Revitalization.** In March, following an extensive review of Federal maritime promotional programs, Secretary **Peña** unveiled the Administration's proposed maritime revitalization program.

**Vessel Traffic Services (VTS).** More than **842,000** vessel transits were monitored by the United States Coast Guard (**USCG**) in eight major U.S. ports. Meanwhile, progress was made toward **USCG** implementation of **VTS** systems in nine other major U.S. ports and waterways. **VTS** New York, the first upgraded system, went on line in August. **USCG** also commissioned an automated dependent surveillance system using the Differential Global Positioning System (**DGPS**) in Prince William Sound, Alaska. This system was the first of its kind and will track tankers throughout their transit of the sound and **50** miles out to sea.

**Transportation Deregulation.** In August, President Clinton signed two pieces of legislation which will improve the efficiency of truck and intermodal transportation. These important new public laws follow more than **20** years of careful research, testimony, and reports to Congress by DOT into the effects of state and Federal economic regulation on the trucking and package express industries. A provision of the Federal Aviation Administration (FAA) Authorization Act of **1994** prohibits state and local governments, beginning in January **1995**, from regulating the prices, routes, and services of both trucking companies and the trucking operations of intermodal air-truck delivery companies. This will save shippers and consumers an estimated **\$3-8** billion per year in lower prices and transport costs. The Trucking Industry Regulatory Reform Act of **1994** removes most of the remaining

barriers to entry into the interstate trucking industry, except for safety and the proper levels of insurance, and removes the costly and antiquated requirement that motor common carriers file their millions of tariffs with the Interstate Commerce Commission, as long as the carriers price their services without colluding with their competitors.

**Aviation Initiative.** In January, Secretary **Peña** launched a **33-point** initiative to implement the recommendations of the National Commission to Ensure a Strong Competitive Airline Industry, and the year saw significant progress in realizing them

The Department accelerated the application of the Global Positioning System (**GPS**) to the world civil aviation community.

In the first policy statement on international aviation since **1978**, DOT released for comment a comprehensive statement of U.S. goals and strategies for working toward a liberalized international aviation structure.

The Department held public hearings on, the High Density Rule at the Nation's four slot-controlled airports to determine whether the rule should be modified or eliminated.

In an effort to eliminate cumbersome procurement, personnel, and financial rules associated with the current air traffic control (**ATC**) system, DOT completed a detailed study advocating the creation of a Government-run corporation to manage **FAA's ATC** functions without compromising the **FAA's** excellent safety record. A DOT/FAA working group recommended proposing legislation for such a corporation.

The Department sent Congress the Administration's proposal for increased infrastructure investment in aviation facilities. Interim legislation was enacted in May, and final legislation was signed by President Clinton in August.

In accord with the recommendations of the Commission, Congress enacted legislation to **codify** recent court decisions on aircraft leases. Congress also passed, and President Clinton signed, the General Aviation Revitalization Act of **1994**, establishing an **18**-year period after which manufacturers of general aviation aircraft and components will no longer be held accountable for accidents involving aircraft they had produced.

## Strategic Goal I : Tie America Together

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In addition, actions continued toward completing transition to a quieter Stage 3 aircraft fleet, achieving greater harmonization between U.S. and foreign nations' aviation regulations, enforcing terms and conditions of U.S. bilateral aviation agreements, and promoting closer government-industry cooperation in the advance of aviation technologies.

**Employee Ownership.** DOT conducted an informal fitness review of United Air Lines' ~~recapitalization~~ and employee stock ownership plan, whereby employees received a 55 percent share of United's equity in return for \$4.9 billion in wage and work-rule concessions.

**Reducing the Regulatory Burden.** In January, FAA invited the public to identify regulations that could be amended or eliminated without compromising the agency's statutory responsibilities. While processing this public input, FAA also ensured broadly-based participation in rulemaking by working through the expanded Aviation Rulemaking Advisory Committee, which represents virtually every segment of the U.S. aviation community and includes foreign representatives. ~~FAA~~ published a new rule that reduces flight instructors' costs to renew their certificates.

**Reviving General Aviation.** A 1994 General Aviation Action Plan, a comprehensive, ~~agencywide~~ plan that addresses tactical and strategic initiatives was prepared, which addresses goals and action items focused on safety, FAA services, product innovation and competitiveness, system access and capacity, and affordability.

**Commercial Space Transportation.** The Office of Commercial Space Transportation (**OCST**) sought to develop close working relationships with regulatory agencies with oversight over various aspects of the space transportation industry. **OCST** also worked with the Department of Defense (DOD) and the National Aeronautics and Space Administration (NASA) to develop a coordinated approach to support the commercial space transportation industry.

**North American Free Trade Agreement (NAFTA).** The Department continued to work with Mexican authorities to address problems in the implementation of NAFTA concerning small package delivery, leasing

of vehicles, and access for Mexico's border zone. As part of the trilateral summit involving the United States, Canada, and Mexico, one trilateral and two bilateral agreements were signed: a trilateral agreement to exchange information on maritime safety; a U.S.-Mexico agreement to facilitate the coordination of cross-border infrastructure planning; and a U.S.-Canada agreement for reciprocal treatment for safety reviews and motor carrier facility audits performed by **FHWA** and Transport Canada.

DOT sent U.S. operators information about new business opportunities in Canada and Mexico and provided extensive guidance to Canadian and Mexican specialty air operators on how NAFTA would affect their operations in the United States. The Department expedited processing of their requests, approving a total of 33 NAFTA-covered operations.

In April, Secretary Peña and his counterparts from Canada and Mexico hosted the first North American Transportation Summit. The Ministers discussed implementation of the transportation provisions of NAFTA, as well as other critical issues affecting the development of an integrated North American transportation system that will support increased trade in the post-NAFTA world.

In January, a Federal interagency task force formed to examine the causes of traffic congestion and delay at international land border crossings. The task force issued a final paper in October. The recommendations address the need for a border efficiency standard, better coordination among inspection agencies, exploration of new sources of infrastructure financing, ~~standardization~~ of electronic data interchange, use of pilot programs to test new technologies at border crossings, and a more coordinated, regional approach to infrastructure planning.

**Transportation Statistics.** DOT's Bureau of Transportation Statistics published the first-ever comprehensive summary and analysis of the Nation's transportation systems, the issues and consequences of maintaining the system, the quality of the data available, and planned efforts to improve that quality:



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## Strategic Goal 2: Invest Strategically in Transportation Infrastructure

OBJECTIVE: **Work** to “~~complete~~ what we have **started**” ~~and~~ to “repair what **is broken**” ~~on time~~ and **within budget**.

OBJECTIVE: Ensure that new projects strengthen the national and regional **economies**, **reduce congestion**, increase **efficiency** and enhance safety.

**Innovative Infrastructure Financing.** The Department is aggressively pursuing the use of innovative infrastructure financing. **FHWA** solicited state and local transportation projects proposing to employ innovative financing techniques, and gave conceptual approval to more than **40**. Among the financing techniques proposed were innovative management of Federal funds, greater state use of bonding and other forms of debt financing, increased reliance on user fees, use of revolving funds and credit tools, income generation to underwrite project costs, and commercial real estate “construction financing” techniques. Implementation of changes to existing programs is expected to require regulatory change and technical corrections legislation.

FAA. sought innovative means of airport financing and continued to process requests for authority to collect and use Passenger Facility Charges to fund airport projects. Two hundred three applications **totalling** more than **\$9.2** billion were approved by the end of the year. FAA. established a Capacity Council to ensure that airfield expansion projects result in full capacity benefits.

**Northeast Corridor (NEC).** **FRA** moved to complete the Northeast Corridor Improvement Project within established time frames and ensure that it matches world standards, sending an **NEC** Transportation Plan report to Congress, establishing an on-site **NEC** program director office in Connecticut, and developing a final environmental impact statement for electrification of the **NEC** between New Haven and Boston.

### **Office of Inspector General (OIG) Investigations.**

**OIG** investigations into the evasion of motor fuel excise taxes and audits into **FAA's** monitoring of airport revenues resulted in **10** indictments and **34** convictions.

**FAA Capital Investment.** FAA adjusted its approach to key automation projects to take **full** advantage of “open system” designs, evolutionary strategies, and **off-the-shelf** technology. Following independent reviews of the Advanced Automation System, FAA restructured the program to a more economical and expeditious plan for upgrading the capacity and reliability of the airspace system.

The Voice Switching and Control System, a computer-controlled communications system to support **ATC**, was delivered to the first four operational sites. FAA tested a prototype of the Oceanic Data Link system that will provide interim capability for improved pilot/controller communications, and issued a request for proposal (**RFP**) for an Advanced Oceanic Automation System to achieve additional control capacity using satellite technology. FAA also prepared an upgraded, open-system computer environment for its two Oceanic Traffic Planning Systems, which address issues of airspace availability and fuel economy. FAA continued to deploy such new equipment as Mode S advanced secondary radar systems for improved surveillance, **ASDE-3** Airport Surface Detection Equipment for tracking ground traffic during periods of low visibility, **ASR-9** Airport Surveillance Radars to replace maintenance-intensive units using vacuum tubes, and Terminal Doppler

## Strategic Goal 2: Invest Strategically in Transportation Infrastructure

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Weather Radar for improved flight safety and efficiency. Other accomplishments included completion of FAA facilities at Denver's new airport, a new radar atop Colorado's Red Table Mountain to improve airport capacity, two new towers at Dallas/Fort Worth airport, and continued consolidation of Flight Service Stations and Terminal Radar Approach Control facilities.

**Airports.** Despite a lapse of Airport Improvement Program grant authority for much of Fiscal Year (FY) 1994, FAA approved more than 1,300 applications, obligating \$1.73 billion in new grants and increases for airport planning and development. Of this, \$354.1 million was invested in capacity enhancement, \$230 million in noise compatibility planning and projects, and \$42 million in civil aviation development at existing and former military airfields.

**Research and Development (R&D).** Development and implementation of the Cutter Scheduling and Assistance Program resulted in a cost avoidance of one cutter-year on the Atlantic Coast that was otherwise unfunded. Research was conducted on Electronic Chart Display Information Systems, Integrated Navigation Systems, and Automated Dependent Surveillance technology to reduce maritime accidents. Sweep-width tables were developed for use in electronic sensors in search and rescue.

A state-of-the-art knowledge-based decision support system was developed and applied to three USCG applications. The R&D program also made notable progress in the development of infrared remote sensing to determine the presence of spilled oil and to measure the amount spilled.

**Surface Transportation.** FHWA oversaw the obligation of \$20.7 billion under the Federal-Aid Highway Program, about the same as the amount obligated last year.

FHWA established principles of good practice to be followed by FHWA in implementing life-cycle cost analysis components of Executive Order (EO) 12893 on Federal infrastructure investments.

FTA obligated \$3.5 billion in capital grant funds to assist in the repair and maintenance of existing rail and bus transit infrastructure, as well as construction of new transit systems. FTA also launched the Turnkey Demonstration Program to illustrate ways to reduce the time and cost of transit infrastructure pro-

ject implementation. Four projects were selected for evaluation under this program.

**Washington Metropolitan Area Transportation Authority (WMATA).** DOT entered into two agreements with WMATA that will result in significant cost savings for both agencies. One establishes a commercial line of credit in anticipation of revenues that will enable WMATA to finish its rail system sooner than planned. The second permits WMATA's rail construction debt to be refinanced, saving DOT \$200 million and WMATA \$100 million.

**Shipbuilding and Ship Conversion.** In June, the Secretary announced a new initiative involving vessel design compliance programs and the elimination of unnecessary regulations affecting the shipbuilding and ship operating industries. The Department approved the first Federal loan guarantee ever provided to finance building oceangoing ships in the United States for export, which immediately resulted in a contract to build up to four oceangoing ships by Newport News Shipbuilding in Virginia. Finally, a \$152 million project to build 46,500 deadweight ton product tankers will support 500 jobs at the shipyard.

Commercial shipyards continued to be awarded all the Navy's new construction contracts. Twelve new vessels of 1,000 light displacement tons (LDT) and larger were ordered and 13 new Navy vessels were delivered by privately owned U.S. shipyards. U.S. Navy ship construction projects continued to dominate the workload in U.S. shipyards. As of September 30, 60 Navy vessels of 1,000 LDT and over, were under construction, being converted, or on order in 9 privately owned U.S. shipyards.

**Organization for Economic Cooperation and Development Shipbuilding Agreement.** Several events indicate the success of the President's initiative to revive the U.S. shipbuilding industry. In July, the United States reached a long-sought agreement with the European Union (EU), Japan, Korea, Finland, Norway, and Sweden to phase-out direct and indirect shipbuilding subsidies, to extend injurious pricing (anti-dumping) rules to ships, and to establish common rules for permissible forms of shipyard support. Effective dispute resolution mechanisms were also provided.

DOT played an active role within the U.S. delegation, led by the United States Trade Representative

## Strategic Goal 2: Invest Strategically in Transportation Infrastructure

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(**USTR**). For the first time, the government participated in major international shipbuilding conferences to promote the U.S. shipbuilding industry.

**Shipbuilding R&D.** To speed technology transfer and process change in America's shipyards, the Administration established **MARITECH**, an industry-driven, defense conversion initiative. Under **MARITECH**, awards focusing on development projects are made competitively, on a matching basis, to assist the U.S. shipbuilding industry's reentry into the international commercial shipbuilding market.

**MARAD**, acting as agent for DOD's Advanced Research Projects Agency (ARPA), entered into cooperative agreements that would enhance the international competitiveness of the U.S. commercial shipbuilding industry. They involved developing a portable robotic welding system; developing internationally competitive, U.S.-made, low-wake, high-speed efficient catamaran ferries that can be marketed for both domestic and international markets; developing a technologically advanced tanker; and developing a 23,000-ton container/bulk carrier to assist the American shipbuilding industry in competing with foreign shipbuilders in the medium-size bulk/carrier market.

### **Minority, Women-owned, and Disadvantaged Business Enterprise/ Entrepreneur (MBE/WBE/DBE) Program.**

More than \$3.66 billion of DOT Federal funds were awarded to **MBEs/WBEs/DBEs** through DOT direct contracts or Federally-assisted contracts of DOT-assisted state and local transportation agencies. Program businesses received \$686.0 million of DOT direct procurement, of which 8(a) contractors received \$394.0 million. Small disadvantaged businesses received approximately \$70.1 million of the total subcontracting opportunities of DOT major prime contractors. In addition, the Office of Small and Disadvantaged Business Utilization (**OSDBU**) developed a Subcontracting *Directory* to help small firms market DOT prime contractors for subcontracting opportunities.

### **Short Term Lending and Bonding Assistance Programs.**

Thirty-eight lines of credit were approved under Short Term Lending Program, totaling 7.3 million. Thirty-five dual performance and payment

bonds totaling \$10.4 million were issued under Bonding Assistance Program. **OSDBU** launched several Pilot Bonding Programs to enhance +opportunities for **DBEs** at the local level to have access to bonding assistance. Pilots were implemented in Oakland and Los Angeles, CA; Seattle, WA; **Chicago, IL**; Atlanta, GA; San Antonio, TX; and the Washington, DC-Baltimore, MD, Metropolitan Areas.

**Cooperative Agreements.** The Liaison Outreach and Services Program, administered through cooperative agreements with minority chambers of commerce and trade associations, provides liaison services between DOT and its grantees, recipients, contractors, subcontractors, and **DBEs**. Agreements in the amount of \$95,000 each were awarded to the Arizona Hispanic Chamber of Commerce, Phoenix, AZ; Black Business Association of Los Angeles, CA; Latin Chamber of Commerce U.S.A., Miami, FL; Metropolitan Chamber of Commerce, Flint, MI; National Association of Minority Contractors, Washington, DC; and the Hispanic Chamber of Commerce of Greater Kansas City, MO.

### **Grants to Minority Educational Institutions.**

**OSDBU** awarded grants of \$100,000 each for training programs to enhance **DBEs**' knowledge of transportation and for students to encourage them to become owners. The City College of New York, Texas A&M International University, **Humacao** University College, University of Texas at El Paso, The University of New Mexico, Del Mar College, Cal-State **L.A.** University, and Miami-Dade Community College were recipients.

**Commercial Space Launch Agreement.** **OCST** is a member of the U.S. interagency team, led by **USTR**, that negotiated a follow-on agreement with the People's Republic of China (**PRC**) on international trade in commercial launch services. The agreement will allow **PRC** to continue to participate in the international market for such services while making the transition to a market-based economy.

**OCST** was also a member of a **USTR**-led team that conducted various consultations with Russia concerning the participation of Russian launch providers in the international market for commercial launch services.





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## Strategic Goal 3: Create A New Alliance

OBJECTIVE: ~~Accelerate technological advances to make our transportation system more efficient, environmentally~~ **sound** and safe.

OBJECTIVE: **Promote** the **development** and **export** of transportation technology.

### **Intelligent Vehicle Highway Systems (IVHS).**

**FHWA** executed an agreement with a consortium of **IVHS** organizations to manage the development of a prototype Automated Highway System. Consortium members include General Motors, Martin Marietta, Carnegie-Mellon University, Hughes Aircraft, Delco Electronics, and the **Bechtel** Corporation.

**FHWA** held regional public meetings on **IVHS** system architecture to obtain stakeholder perspectives on alternative system architectures and to identify issues of national concern. An **IVHS/Commercial Vehicle Operation (CVO)** Task Force was established in February to direct and support **CVO** applications in the program.

Together with **IVHS** America, **FHWA** developed an **IVHS** Outreach Plan and issued a cooperative agreement with Public Technology, Inc., to provide information on **IVHS** technologies and applications to local officials.

**FHWA** initiated or completed **48** early **IVHS** deployment projects. **FHWA** also initiated **17** **IVHS** Operational Test projects in areas such as commercial vehicle safety inspection, out-of-service verification, personalized public transit, emergency notification, and travel demand management. In addition, **FHWA** initiated a North American Technology Scanning Tour on Pavement-Truck Interaction involving the United States, Canada, and Mexico.

### **Alternative Fueled Vehicles (AFV). FTA's**

Advanced Technology Transit Bus Program began construction of its prototype for a bus that will be light-weight, have a low floor allowing one-step or

ramp boarding, discharge ultra-low emissions, and be very user-friendly

The Research and Special Programs Administration (**RSPA**) was instrumental in securing **funds** from the ARPA Technology Reinvestment Project for **27** transportation-related projects, totaling **\$420** million. These projects pertain to aeronautical technologies, electronics design and manufacturing, information infrastructure, materials structures and manufacturing, mechanical design and manufacturing, ship-building, and vehicle technology.

**Global Positioning System (GPS).** The Department accelerated implementation of **GPS**, a satellite-based navigation system, which will increase the capacity of the air space system and provide the basis for a revolutionary new method of **ATC** and navigation.

With **FHWA** as the lead agency, and with the support and assistance of DOD and the Department of Commerce (**DOC**), the Department began a study to evaluate the capabilities of various means of augmenting **GPS** and to determine the optimum integrated system for meeting the requirements of land, marine, aviation, and space users. The study is to be completed early in **FY 1995**.

In March, **USCG** authorized **GPS** for ships entering U.S. ports for the first time. **USCG** also expanded its **DGPS** system, which enhances **GPS** accuracy and the integrity of that system, to **12** stations, which covered the Gulf of Mexico, the northeast coast, the Great Lakes, and most of the Mississippi River. When **fully** implemented, **DGPS** will meet navigation requirements in all harbors and harbor approach areas of the

## Strategic Goal 3: Create a New Alliance

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United States. **USCG** worked through the International Maritime Organization (**IMO**) and the International Association of Lighthouse Authorities to produce international standards on **GPS** and **DGPS** use.

In February, FAA permitted aircraft equipped with a certificated receiver to use **GPS** for supplemental navigation down to nonprecision approaches. **GPS** was in use for nonprecision approaches at all U.S. airports and heliports with an approved **GPS** database. The first landing using an FAA-approved public "stand alone" **GPS** instrument approach was accomplished. FAA issued a Technical Standards Order on development of **GPS** receivers for precision approaches involving a runway visual range of not less than 1,800 feet, and continued work to satisfy requirements for such approaches in conditions of less visibility. FAA issued an **RFP** for a Wide Area Augmentation System, a network of ground stations and communications systems to enhance the accuracy, integrity, and availability of **GPS** signals, and successfully tested **GPS Squitter** technology as a cost-effective and accurate aircraft surveillance system. FAA worked with the International Civil Aviation Organization and other groups to foster rapid worldwide implementation of **GPS** and the Global Navigation Satellite System. FAA also organized an international working group to plan a seamless, satellite-based regional **ATC** system for Mexico, Canada, and the United States.

**FRA** integrated **GPS** technology into its **GIS** by installing a **GPS** receiver on track inspection cars, allowing for direct input to **GIS** of the inspection car's output, including the location of bridges, highway-rail crossings, and rail mileposts.

The **Volpe** National Transportation Systems Center (**VNTSC**) developed a satellite-based source data communication system to link all of the former Yugoslavian border crossing under United Nations control to the Security Council subcommittee that approves all shipments there.

**VNTSC** also developed a vessel tracking system for the Saint Lawrence Seaway Development Corporation (**SLSDC**) that uses **GPS** satellites to pinpoint the location of vessels. For the first time, **SLSDC** used **DGPS** to position its navigation aids in the spring after the Seaway reopened to traffic.

**Information Systems.** **USCG** continued to make steady progress on the Fleet Logistics System, Marine Information for Safety and Law Enforcement System, and Standard Computer Workstation acquisitions. The Merchant Mariner Licensing and Documentation (**MMLD**) system was installed in several key locations. To complement **MMLD**, **USCG** also installed a new mariners identification system that provides a magnetically stripped plastic identification card for mariners. New pen-based systems for ship-to-shore transfer of data were developed to improve administrative processes at points of service delivery. In the first of several remoting efforts through the **COMMSYS 2000** project, communications services at Miami, FL, were remoted to Chesapeake, VA, and services in Guam to Point Reyes, CA. As of September, 25 percent of **USCG's** forms were automated and 40 percent of **USCG's** directives were converted to CD ROM.

**High-Speed Rail.** **FRA** initiated a comprehensive study to examine the feasibility of a full range of high-speed ground transportation technologies in select corridors. **FRA** also awarded grants, authorized by **ISTEA**, for 5 high-speed rail technology demonstration projects and, together with **FHWA**, allocated funds to 10 states to eliminate highway-rail grade crossing hazards in 5 corridors designated as candidates for high-speed rail development.

**Advanced Train Control Systems.** In July, **FRA** completed a report on railroad communications, which included a proposed timetable for implementation of automatic train control systems. The report presented the case for Positive Train Control as a means to improve rail plant capacity by 25 percent while simultaneously achieving speed and safety goals.

**Aviation System Capacity.** The **ATC** System Command Center, a key tool for boosting aviation safety and efficiency, moved from FAA Headquarters to a new, state-of-the-art facility in Herndon, VA. FAA continued to deploy new software and equipment to expand capacity, and completed four Airport Capacity Design Team studies as part of a program that identifies actions to reduce airport delays. Procedures have been established allowing improved simultaneous approaches, improved dependent parallel approaches, dependent converging instrument approaches, and other innovative applications of

## Strategic Goal 3: Create a New Alliance

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emerging and existing technologies. A National Aviation Weather Users' Forum netted **135** industry recommendations for improved aviation weather services.

**Promoting New Technology** FAA issued special certification conditions, including unprecedented levels of testing, to allow immediate introduction of the Boeing Model **777** transport into extended range two-engine operations without the service experience previously required. Joining NASA to support development of High-Speed Civil Transport, FAA, committed itself to develop a preliminary certification basis for this next generation supersonic transport aircraft. FAA conducted research to revise airport design standards to accommodate future aircraft now being designed to weigh more than a million pounds. Under the Centers of Excellence program, research on computational modeling of aircraft structures proceeded at two universities. FAA added **75** new Cooperative R&D

Agreements to its existing agreements to transfer technology to private enterprise.

**National Space Transportation Policy.** **OC** ST actively participated in drafting the Administration's National Space Transportation policy that will sustain and revitalize U.S. space transportation capabilities.

**International Science and Technology (S&T).** DOT expanded its international S&T program by broadening cooperative and technical assistance activities through Memoranda of Understanding (**MOU**) with Japan and the Russian Federation. Areas of cooperation included intermodal transportation, safety promotion technology, modernization of the Russian **ATC** system, and privatization of the railroads. Ongoing projects included workshops on **IVHS** and advanced technologies in highway engineering and technical assistance in strategic policy planning and management training.



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## Strategic Goal 4: Promote Safe and Secure Transportation

**OBJECTIVE:** *Significant/y ~~reduce~~ deaths and injuries on our transportation system, which will ~~reduce~~ the burden on our health care system.*

**OBJECTIVE:** *Minimize the dangers to communities and industry associated with the transportation of goods.*

**Drug and Alcohol Testing.** In February, DOT issued rules establishing alcohol misuse prevention programs for, and extending ~~antidrug~~ rules issued in November 1988 to more than 7.5 million safety-sensitive workers in the aviation, highway, rail, and transit industries. The rules impose alcohol misuse prohibitions, several types of testing, consequences for rule violations, and education requirements in the interest of public safety. Any employee who violates the prohibitions must be removed from safety-sensitive functions until he or she meets conditions for returning to duty.

OST, FAA, FRA, FHWA, and FTA issued final rules requiring alcohol testing, including random testing for alcohol. "Reasonable suspicion," post-accident testing, return to duty, and follow-up alcohol testing were required for pipeline workers not covered by the Omnibus Transportation Employee Testing Act. of 1991 These operating administrations, as well as USCG, issued final rules requiring drug testing as mandated by the Act. In addition, FHWA extended drug regulations to approximately three million intrastate drivers holding commercial drivers' licenses, including school bus, government vehicle, and motor coach drivers.

The Department engaged in rulemaking to institute congressionally mandated changes in the ~~antidrug~~ program, modify testing procedures, and clarify or improve requirements. Approximately 5,400 aviation employers implemented FM-approved ~~antidrug~~ programs. These programs were directed at 350,000 employees who were subject to drug testing due to their safety-sensitive jobs. FAA conducted approximately 400 inspections to monitor compliance.

**Drug Testing Incentive.** DOT published a final rule providing a performance incentive for transportation industries required to conduct random drug testing. Under the rule, DOT may lower the minimum random drug testing rate to 25 percent of employees if the industrywide random positive rate is less than 1.0 percent for 2 calendar years while testing 50 percent of the employees. The random testing rate will return to 50 percent if the industry random positive rate is 1.0 percent or higher in any subsequent calendar year.

**Alcohol Incentive Grants.** Twenty-five states and the District of Columbia received grants totalling \$25 million under the Section 410 Alcohol Incentive Grant program. This was in addition to \$10.5 million awarded to 10 states under the final year of the Section 408 Alcohol Incentive Grant program.

**Alcohol and Occupant Protection Campaigns.** Campaign Safe & Sober, a major multiyear campaign, was announced to meet the Secretary's highway safety goals of increasing safety belt use to 75 percent and reducing alcohol-related deaths to 43 percent of total fatalities.

**Traffic Safety.** In 1994, 40,676 persons lost their lives in traffic crashes. The fatality rate was 1.7 per 100 million vehicle miles of travel. Alcohol involvement in traffic fatalities decreased 24.9 percent from 22,084 in 1990 to 16,589 in 1994, and the proportion of traffic fatalities involving alcohol dropped from 50 percent in 1990 to 40.8 percent in 1994.

**State and Community Highway Safety Grants.** Section 402 State and Community Highway Safety

## Strategic Goal 4: Promote Safe and Secure Transportation

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Grants provide assistance to states, territories, and Indian nations to develop and implement effective highway safety programs. Grant funds **totalling \$123** million were distributed, with **\$8** million earmarked for programs directed at underage drinking and driving.

**Child Safety.** Child safety seats saved an estimated **260** children under age five. The National Highway Traffic Safety Administration (**NHTSA**) issued final rules requiring warnings on rear-facing child safety seats, child restraints to dynamically adjust during a crash as a way of managing crash forces, strobe lights on school bus stop arms, and belt positioning booster seats for use in passenger vehicles. Rules were proposed requiring additional dummies for evaluating child restraint effectiveness, improving school bus mirrors, upgrading school bus emergency exits and sliding window requirements, and permitting cut-off switches for passenger-side air bags in pickup trucks and passenger cars with no rear seats.

**Safety Belts.** Safety belt use was **67** percent nationwide. Thirteen states reached **70** percent belt usage or better and four states achieved **80** percent usage or greater. Hawaii had the highest ~~rate~~ **84** percent. Safety belts saved an estimated **9,100** lives and prevented about **139,200** moderate-to-critical injuries. A final rule was issued, to be effective September **1, 1997**, that will require motor vehicle manufacturers to make safety belts more comfortable and convenient to use by improving the fit of the shoulder belt.

**Safety Belt and Motorcycle Helmet Use Incentive Grants and Transfer of Funds.** Fourteen states and Puerto Rico received grants **totalling \$12** million in the final year of the Section **153** Safety Belt and Motorcycle Helmet Use Incentive Grant program. The Section **153** program promotes the passage of state safety belt and motorcycle helmet use laws, and compliance with those laws.

**AFV Safety.** **NHTSA** issued final rules requiring vehicle fuel system integrity performance for compressed natural gas (**CNG**) powered cars, light trucks, vans, utility vehicles, and school buses, and requiring safe performance of **CNG** fuel containers. A request for comment was issued concerning whether to regulate the fuel system integrity of **CNG** transit and intercity buses and heavy trucks.

**Automotive Safety.** In August, **NHTSA** solicited comments through the ~~Federal Register~~ on how the temporary exemption provision might be changed to make it a more effective mechanism for encouraging automotive safety innovations.

**Antilock Braking Systems (ABS).** A supplemental notice of proposed rulemaking (**NPRM**) was issued to refine the requirements for **ABS** on heavy trucks and buses. An advance notice of proposed rulemaking (**ANPRM**) was issued regarding **ABS** for passenger cars and light trucks.

**Rollover.** After open meetings to discover what information the public wanted to have available, **NHTSA** issued an **NPRM** to require that vehicles be ~~labelled~~ as to their relative resistance to rolling over.

**Intelligent Collision Avoidance Systems.** **NHTSA** entered into five cooperative agreements with industrial partners to foster development of collision avoidance systems. A report, "Preliminary Human Factors Guidelines for Crash Avoidance Warning Devices," was published. Assessment and countermeasure reports were published on several crash modes (e.g., rear-end crashes and lane-change crashes).

**Crash Outcome Data Evaluation System.** Seven states completed requirements to link statewide police-reported motor vehicle crash records to injury and insurance records. This information provides details about the medical and financial consequences of motor vehicle crashes. Data were delivered to **NHTSA** which formed the basis of a report to Congress about the benefits of safety belts and motorcycle helmets on mortality, morbidity, injury severity, and cost.

**Defects.** **NHTSA's** defect investigations led to **46** recall campaigns involving **6.1** million vehicles, and **8** motor vehicle equipment recall campaigns involving **3.1** million items of equipment.

**Compliance.** Ninety-eight motor vehicles were tested for compliance with **3 11** performance requirements specified in the Federal Motor Vehicle Safety Standards. Emphasis was placed on compliance with the dynamic side impact protection, automatic crash protection, and fuel system integrity standards. Twenty-four compliance investigations were initiated that influenced manufacturers to recall **210,365** vehicles and **179,408** items of equipment.

## Strategic Goal 4: Promote Safe and Secure Transportation

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**Motorcycle Safety.** Two National campaigns were released: *The Campaign to License America* to reduce the incidence of unlicensed motorcyclists, and *Motorcycle Safety—There's a Lot Riding on It*, to provide safe riding tips.

**Grade Crossing Safety.** In June, Secretary Peña announced a Railroad Grade Crossing Action Plan, detailing major goals and actions to enhance safety and trespass prevention at railroad grade crossings. An implementation plan was issued in July, which identifies 55 projects supporting the action plan. The plan will require strong partnerships among local, state, Federal highway and rail officials, law enforcement, rail and transit industries, Operation Lifesaver, and the United States Congress. FTA-funded research to demonstrate radar-based vehicle detection technology and “left turn gates” at grade crossings will affect all surface transportation modes.

**Rail Safety Summit.** On September 30, Secretary Peña convened a Rail Safety Summit to focus on safety and the prevention of railroad accidents. The summit allowed a lively exchange of ideas between several of DOT’s senior officials and a diverse group of industry leaders and other experts. The summit also provided a forum for DOT agencies to raise the awareness of the general public on certain issues, including grade-crossing and trespasser safety, rights-of-way shared by passenger and freight trains, and passenger equipment safety.

**Suspected Unapproved Parts (SUPs).** The OIG continued to investigate SUPs, resulting in 60 indictments and 43 convictions. OIG performed audits and investigations into the use of substandard “bogus” parts in all modes of transportation, and an inspection of the airworthiness process and reporting and tracking of suspected aircraft problems. Audits and investigations concerning the transportation of hazardous materials were conducted.

**Aviation Safety.** FM took forceful action to improve the safety of winter flight operations. Effective January 31, FM required commuter airlines and air taxis to assure that aircraft are free from frost, ice, or snow, under regulations similar to those for major airlines. To ensure compliance, FM conducted more than 3,000 inspections during the winter. Other new rules mandated duty time limitations and rest periods for flight attendants and required improved safety procedures and equipment of air tours in Hawaii. In

cooperation with manufacturers, FAA conducted evaluations that resulted in required improvements to transport aircraft thrust reversers, and extensive inspections and rework on an aircraft type involved in two instances of propeller failure.

In cooperation with other agencies, FAA helped to achieve a change in fuel dye color regulations that assured aviation safety while meeting environmental and tax enforcement goals.

FAA completed the first phase in developing agency-wide safety risk management policies, and established a comprehensive approach to studying human factors.

**International Safety Leadership.** To improve global flight safety, FAA expanded assessments to determine the ability of foreign civil aviation authorities to provide safety oversight of their carriers in compliance with international standards, and began releasing information from these assessments to assist the public in their travel decisions. FAA began discussions with other civil aviation authorities to establish regional groups to harmonize safety regulations and, with the Department of State (DOS), began developing aviation safety agreements expanding cooperation with other civil aviation authorities. FAA arranged training for 475 foreign aviation officials as part of its broad program of technical assistance and cooperation that includes agreements with 87 countries and international organizations.

**Civil Aviation Security** FAA worked to update security regulations dealing with contemporary threats, promoting consistency, and improving airport/airline coordination. FAA issued security requirements for all classes of cargo, covering both direct and indirect flights by U.S. and foreign carriers, and published a proposed rule to protect sensitive security information. Testing of an enhanced airport security system at Baltimore/Washington airport was concluded. An FAA/industry committee developed recommendations and a program for a universal airport security access system.

**Enforcement of Lebanon Restrictions.** Because of, security concerns, the Department’s Lebanon restrictions prohibit sale of any passenger air transportation in the United States that includes a stop in Lebanon. DOT issued 11 cease and desist orders, assessing more than \$1.44 million in civil penalties against foreign air carriers and U.S. travel agencies for violating the Lebanon restrictions.

## Strategic Goal 4: Promote Safe and Secure Transportation

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**Denial of Airline Operating Certificate.** In April, the Department denied certification authority to **ATX**, Inc. DOT found that **ATX** did not meet two of the three basic fitness requirements, because of deficiencies in the managerial competence and compliance disposition of Frank **Lorenzo**, a principal and founder of the firm. **Lorenzo** had been Chairman of the Board of Eastern and Continental Airlines, both of which had filed bankruptcy petitions during his tenure. The Department's denial of the certificate was upheld by the United States Court of Appeals (District of Columbia Circuit).

**Air Carrier Fitness.** Applications for new and increased authority to conduct air carrier operations continued at a heavy rate. Analysis was completed and decisions issued on **51** applications, and an additional **15** were pending at year's end. About **70** percent of the applications were approved. DOT also monitored the continuing fitness of air carriers that already hold authority. During the year, **38** such cases were completed.

**Commercial Space Transportation.** The U.S. commercial space transportation industry conducted five licensed commercial launches, while four commercial launch sites were in early stages of development in California, Florida, New Mexico, and Alaska. **OCST** had seven applications in various stages of the approval process, and issued four new or amended licenses. Seven maximum probable loss determinations were completed or in process for establishing financial responsibility requirements.

**OCST** convened a public meeting to solicit industry views in preparation for rulemaking on licensing requirements for commercial launch operators and spaceports, and sought industry input on the range of activities that may be covered by financial responsibility and allocation of risk requirements associated with the conduct of licensed activities.

**Transporting Hazardous Materials.** **RSPA** published a final rule establishing uniform standards for intermediate bulk containers used on trucks, ships, or rail. This rule provides for standard industry approaches to packaging that will enhance both safety and commerce.

**RSPA** awarded grants of approximately **\$5.9** million to reimburse state grantees for emergency response planning and training activities. All states and territo-

ries, the District of Columbia, and **11** Indian tribes participate in the program. More than **180,000** responders have been trained using these grant funds.

In consultation with Mexico, **RSPA** published the first Spanish language version of the hazardous materials Emergency Response Guidebook.

**RSPA** published three final rules on low stress pipelines, hydrostatic testing of pipelines, and pipeline pigging.

**RSPA** completed development of a prototype risk assessment model to support a risk-based management system for planning and prioritizing cost-effective safety and environmental improvements for natural gas and hazardous liquid pipelines.

**Maritime Safety.** Daily search and rescue operations were coordinated by **2** Area and **10** District operations centers overseeing **44** Group offices. One hundred fifty-nine small boat stations conducted operations in the coastal waters. **USCG** responded to over **50,000** calls, assisted more than **118,000** people, saved **52,455** lives (including alien migrants), and saved or assisted in saving property worth over **\$3.3** billion. Boating Safety. **USCG**, including the volunteer Auxiliary, provided valuable safe boating education and other public services. Together with state boating safety agencies and through increased emphasis on boating safety, U.S. recreational boating accidents were reduced to **800** fatalities and **3,559** injuries for an estimated population of **20.6** million recreational boats.

**Aids-to-Navigation.** **USCG** continued to develop the **DGPS** by expanding its capability to provide service from **12** stations, covering most of the Northeast coast, the Gulf of Mexico, the St. Mary's River in Michigan, and through a joint project with the U.S. Army Corps of Engineers, most of the Mississippi River. **USCG** continued to operate or support **28** Loran-C and two Omega stations in the continental United States and Canada for civil use, while carrying on extensive negotiations for the closure/ turnover of overseas Loran stations. **USCG** maintained more than **51,000** maritime aids-to-navigation that included **450** lighthouses, **23,550** other fixed aids, and more than **27,000** buoys. A survey of deficiencies in bridge lighting and **fendering** for bridges that span navigable waters was completed.



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## Strategic Goal 5: Actively Enhance Our Environment

**OBJECTIVE:** Harmonize transportation policies and investments with environmental concerns.

**OBJECTIVE:** ~~Provide~~ leadership by our own example to implement environmentally friendly solutions *to* DOT's daily activities.

**Clean Air Act.** The Department worked with the Environmental Protection Agency (EPA) to meet the transportation requirements of the Clean Air Act. ~~FHWA, FTA,~~ and EPA, in cooperation with the National Association of Regional Councils (~~NARC~~), provided training and other information on the rule to affected groups such as metropolitan planning organization staff. Working through ~~NARC~~, a public education effort on transportation and air quality issues began in July.

Together with EPA and ~~FTA~~, ~~FHWA~~ conducted regional seminars on Clean Air Act conformity issues. Two-day seminars provided a detailed review of the newly issued Transportation Conformity Rule for a wide range of Federal, state, and local participants. Technical and guidance memoranda were developed in response to requirements in the Transportation Conformity Rule. ~~FHWA~~ issued two technical memoranda offering guidance on oxides of nitrogen in March and July.

~~FHWA, FTA,~~ and EPA conducted a video conference on conformity issues in June. The conference, broadcast via satellite to approximately 1,000 transportation and air quality officials, highlighted some of the more relevant issues in transportation and air quality, and provided an opportunity for a Nationwide call-in.

~~FTA~~ also published and disseminated numerous training courses, guidance manuals, and demonstration summaries concerning transportation demand management strategies, effective metropolitan planning techniques, land use planning for transit and environmental benefits, and related subjects to assist grantees in air quality nonattainment areas to achieve their

environmental goals.

**Coastal America.** DOT signed an ~~MOU~~ with the Coastal America Partnership (CAP). CAP was engaged in a Connecticut DOT project to restore coastal wetlands previously damaged by highway and railroad construction.

**Endangered Species.** ~~USCG, FHWA,~~ and FAA signed an ~~MOU~~ with 11 other agencies to enhance cooperation in implementation of the Endangered Species Act. They pledged to work to conserve threatened or endangered species and improve the effectiveness of interagency consultations under the Act.

**Global Climate Change.** The Department participated in the formulation of the President's Climate Change Action Plan, issued in October, with a focus on actions that could be effective before the year 2000. In keeping with the goal of reducing greenhouse gas emissions to 1990 levels by that date, ~~NHTSA~~ published a request for comment regarding possible standards on fuel economy labels for passenger car tires. In addition, DOT initiated a pilot program on ~~telecommuting~~. The Department provided financial and administrative support for a White House advisory committee established to develop recommendations on ways to reduce greenhouse gas emissions from personal motor vehicles. DOT is also active in a government-industry effort, the Partnership for a New Generation of Vehicles, to devise a prototype passenger vehicle that can achieve fuel efficiencies up to three times that of today's comparable vehicle. ~~FHWA~~ prepared implementation plans and promoted the Parking Cash-Out program of financial alternatives to employer-provided parking for the transportation actions portion of the Plan.

## Strategic Goal 5: Actively Enhance Our Environment

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**AFVs.** In April, a prototype Fuel Cell/Battery Bus was demonstrated in Washington, DC. The first of three medium-sized (30-foot) buses being developed jointly by **FTA** and the Department of Energy uses a phosphoric acid fuel cell. Development of this technology would have application not only in transit, but also in regional over-the-road freight operations and, ultimately, the entire automotive industry.

DOT replaced one-third of the motor vehicle fleet with low emission, environmentally friendly **AFVs**, while simultaneously achieving a 10 percent reduction in **AFV** lease rates. This resulted in an estimated savings of \$62,775.

**Corporate Average Fuel Economy (CAFE) Standard Enforcement.** Civil penalties collected from manufacturers for noncompliance with the CAFE standard totaled more than \$28.6 million.

**NHTSA** issued a final rule requiring a fuel economy standard of 20.7 miles per gallon for model years 1996 and 1997 for light trucks. An **ANPRM** was issued seeking information to assess potential fuel economy for light trucks between model years 1998 and 2006.

**Congestion Pricing.** **FHWA** solicited state participation in the Congestion Pricing Pilot Program, which will analyze the effectiveness of variable roadway use charges to affect public travel behavior for a variety of environmental or traffic objectives. **FHWA** issued a *Federal Register* notice extending program solicitation and broadening program eligibility. **FHWA** initiated several pre-project studies, as well as the complete development of a pricing strategy for the first pilot project, and efforts to implement two other pilot projects were launched. In addition, the final report of the **FHWA**-sponsored National Academy of Sciences study of congestion pricing was issued.

**FHWA** developed a prototype software model for assessing the operational, safety, and environmental impacts of deploying advanced traffic management strategies, and released the **TRAF** family of simulation models for distribution.

**FHWA** initiated a research effort to review and develop case studies of current activities of metropolitan planning organizations in addressing the access and mobility needs of economically disadvantaged innercity populations.

In April, a research symposium was held to consider the policy implications of travel and demographic data reported in the 1990 *Nationwide Personal Travel* Survey. Policy research papers commissioned by **FHWA** addressed mobility patterns of households owning zero cars and the importance of household demographics in explaining travel patterns.

**FHWA** completed a research project to examine the relationship between urban design and travel demand management. This project reviewed data on demand management programs from more than 300 sites and compared the results of the programs with the urban design of the site where the programs were located.

**Environmental Protection.** In its second annual report on transition to a commercial fleet of quieter Stage 3 airplanes, FAA noted an increase to 62.4 percent Stage 3 by the end of calendar year 1993. FAA approved 17 new airport noise compatibility programs, published a revised advisory circular on noise abatement takeoff procedures, and distributed an enhanced version of the Integrated Noise Model for use in airport noise assessments. With NASA, FAA reviewed interim accomplishments of joint research to develop new technologies for quieter subsonic aircraft by the year 2000. FAA participated in a new interagency coordinating group to resolve airspace issues while protecting environmental heritage, and joined NASA to develop scientific methods of assessing the atmospheric effects of aircraft emissions. FAA initiated a detailed program of environmental compliance assessments at its facilities, and proceeded with contaminated site investigations and environmental cleanup efforts. Two new agency facility environmental compliance orders were signed, two pollution prevention evaluations were performed, and a coordinated effort to save energy was launched.

**Marine Environmental Protection.** **USCG** responded to more than 9,900 reports of oil spills and hazardous material incidents. Together with the National Oceanographic and Atmospheric Administration, **USCG** developed the Spill Planning, Exercise, and Response System to provide Federal on-scene coordinators the ability to manage spills using modern computer technology. Through \$1.36 million of funding provided by DOD's Civil Military Cooperation Program, **USCG** commenced an environmental education and outreach "SeaPartners" Program.

## Strategic Goal 5: Actively Enhance Our Environment

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**USCG** completed a draft final rule on double hull standards for vessels carrying oil in bulk. **USCG** also launched a test program for more timely and cost-effective oil spill ticketing. On-the-spot tickets for spills involving less than **100** gallons allowed responsible parties to be notified **onsite** of suspected violations, avoiding a lengthy process where polluters could repeatedly violate the law before being notified of a penalty for the first spill.

The year marked **the beginning** of the Preparedness for Response Exercise Program to implement the Oil Pollution Act of **1990 (OPA '90)** pollution response exercise requirements. **RSPA** completed the review of all pipeline operator response plans required by **OPA '90** and notified operators of the need for revisions in time for operator correction by February **18, 1995**.

**Port State Control.** In May, **USCG** implemented a boarding regime to target vessels with the greatest risk of causing damage to ports and waterways. Ships assigned the highest boarding priorities are boarded during every port call. The rating is based on performance records of the ships, the classification societies, and the flag states. Since implementation, there has been a dramatic increase in the number of interven-

tions, and a decrease in the number of casualty and pollution incidents associated with foreign flagged ships in U.S. waters.

**Marine Science.** The summer saw **USCG** Cutter POLAR SEA and the Canadian vessel LOUIS ST. LAURENT make the first western approach by surface vessels to the North Pole. Entering areas of the Arctic never reached by surface vessels, a team of **65** scientists studied geology, arctic contamination, ozone depletion, and arctic biology. During the vessels' visit to the North Pole, they met the Russian nuclear ice-breaker **YAMAL**, and the three departed the ice fields together.

**Environmental Justice.** The Departmental Office of Civil Rights (**DOCR**) and the Office of Transportation Policy convened a working group charged with finalizing a DOT environmental justice strategy that comports with the requirements of **EO 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations**. A survey of the modal administrations' current activities relevant to environmental justice was reported to EPA, followed by an outline of DOT's strategy for implementing the **EO**.



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## Strategic Goal 6: Put People First

OBJECTIVE: **Put consumers and the traveling public first.**

OBJECTIVE: **Ensure that transportation policies and investments embrace the concerns of the traveling public and neighborhoods, economic development interests, and other societal concerns.**

**Crisis Response.** To ensure that disaster relief efforts restore mobility and commerce to users in an effective and efficient manner, the Department's emergency response capabilities were upgraded by increasing its access to emergency information via electronic mail, conducting training exercises for the headquarters and 10 regional response teams, and strengthening working relationships with state emergency response personnel through the National Emergency Management Association and the Central U.S. Earthquake Consortium.

**RSPA** completed the first draft of the transportation component of the Federal Response Plan and led a proactive DOT-wide response that put people first during several crises, including the Northridge, CA, earthquake, the Southeast floods caused by Tropical Storm Alberto, and the Teamsters strike. FAA maintained the airspace system and effectively supported relief efforts in response to the Guam earthquake, flooding in two states, California wildfires, and four major storms. In addition, FAA and USCG supported U.S. military deployments to Somalia, the Persian Gulf, Rwanda, and Haiti.

**Northridge Earthquake.** The Northridge Earthquake resulted in considerable loss of life and property damage, and much of the region's transportation infrastructure was either damaged or destroyed. Secretary Peña headed a team of transportation experts to assess damages, cutting through red tape to assist state and local officials in addressing the transportation needs of the residents.

**FHWA** helped to expedite the financial aid approval process by adopting several innovative features: elec-

tronic transfer of fund requests and fund releases, accelerated project approval, limited bidding invitations to qualified contractors, design/build contracts, and incentive/disincentive pay for contractors meeting tight completion schedules.

FAA activated its regional Crisis Management Center and took actions that included temporary flight restrictions to safeguard relief efforts. Despite extensive damage to facilities at Van Nuys airport, controllers and flight standards personnel continued to provide services. FAA also assisted the Los Angeles airport in reopening soon after the earthquake.

By the end of the fiscal year, interstate and state highways were reopened to traffic, numerous bridges were repaired, and transportation patterns were reestablished to near-preearthquake status. FTA facilitated the use of transit systems in support of emergency management efforts. One different transportation pattern was increased ridership on the Metrolink Transit System; the Santa Clarita line ridership rate increased five-fold during the repair and reconstruction period, and has since stabilized at three times the former level.

**Pipeline Failure.** RSPA responded to the Edison, NJ, natural gas pipeline accident, working with state and local governments to assure a technically sound and politically viable remediation plan for the pipeline. As a follow-up, RSPA held the first-ever pipeline safety summit to discuss critical pipeline risk management issues such as technology, public information and participation, economic impacts of increased pipeline inspection, testing, and underground damage prevention.

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**Texas Fire.** USCG led a major effort to avert environmental and port disaster due to flooding, fire, and discharge of crude oil and gasoline in the San Jacinto River in Texas. Working with industry, Federal, state, and local authorities, USCG mobilized 150 active duty and 40 reserve personnel, 25 shore units, and numerous cutters and small boats to respond to the disaster and reopen the San Jacinto River, Houston Ship Channel, and Interstate Highway 10.

As part of *Operation Respond*, a project involving rail management, labor, and emergency responders in an experiment to develop direct communication links to be used in response to rail accidents, FRA published a catalogue of nearly 30 training programs for first-responders to rail accidents, established the first direct computer link between a railroad and a fire department and a "911" dispatch center, placed fax machines at several rural police offices to receive first responder information from railroad,; developed a guidance manual for first responders to rail accidents, and developed a laminated wallet-sized card with guidance and telephone numbers to be given to all area police and fire personnel in case of rail accidents.

**DOT Youth Corps.** Pursuant to the National and Community Service Trust Act of 1993, the Department joined the Corporation for National and Community Service in support of National service activities designed to help address human, educational, environmental, and public safety needs in the area of transportation. In June, DOT solicited proposals, and the Corporation made funds available for three proposals-one each in Washington State, Baltimore, MD, and Washington, DC.

**Transportation Accessibility.** The Department made substantial progress toward ensuring mobility in all transportation modes for Americans with disabilities, implementing the Americans with Disabilities Act of 1990 (ADA) and the Air Carrier Access Act of 1986 (ACAA).

All Federal-aid airports and many carriers' terminals generally comply with DOT access requirements for parking, accessible paths from entrances to gates (including signage), ticket/baggage counters, water fountains, rest rooms, telecommunication devices, ramps, mobile lounges, boarding bridges, and lifts for accessing planes (with more than 29 seats). By 1994, compliance with ACAA regulations resulted in 20 percent of aircraft (with more than 29 seats) having

movable armrests on half of the aisle seats, portable wheelchairs for cabin use on most planes, cabin storage for one folding wheelchair (planes with 100 or more seats), and accessible lavatories on about 20 percent of twin-aisle aircraft. DOT issued an NPRM and regulatory cost analysis on accessible boarding devices for commuter aircraft and is developing the final rule. The Department also mailed consumers an estimated 7,000 pamphlets on Air Travel Access.

To comply with ADA requirements, all Federally-aided transit systems now provide some kind of accessible service for persons with disabilities. About 50 percent of transit buses have lifts and other access features, 20 percent of transit systems report full ADA compliance of door-to-door paratransit services for people unable to use fixed-routes, and transit rail systems are improving key station access and buying new rail cars with access devices. DOT donates \$2 million annually to the National Easter Seal Society's Project Action to sponsor ADA technical assistance and transit mobility training.

Nearly all rest areas on Federal-aid interstates and other new roads are accessible. New and renovated city streets and pedestrian facilities are being outfitted with curb cuts. The Department issued an ANPRM and held a public hearing with industry and advocacy groups to collect information to determine regulatory options and costs and to develop an ADA proposed rule for intercity charter and tour buses. In addition, DOT joined the Department of Health and Human Services to sponsor and fund the 1994 National Household Disability and Transportation Use Survey.

**Bicycle and Pedestrian Initiatives.** The Department sent the National Bicycling and Walking Study to Congress on Earth Day, April 22. The study contained action plans for Federal, state, and local activities to double the percentage of transportation trips made by bicycling and walking, and to reduce the number of injuries and fatalities occurring to bicyclists and pedestrians. DOT convened the Interagency Task Force on Bicycling and Walking to help meet the goals of the study, and to exchange information among Federal agencies and departments with responsibility for bicycle and pedestrian initiatives. FHWA awarded a contract to the Bicycle Federation of America and to the Rails-to-Trails Conservancy to operate the National Bicycle and Pedestrian Clearinghouse, providing technical assistance to bicycle and pedestrian professionals across the country.

## Strategic Goal 6: Put People First

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Working with other public and private sector organizations, ~~NHTSA~~ produced several pedestrian and bicycle safety products. ~~NHTSA~~, ~~FHWA~~, the American Automobile Association, and the National Safety Council developed *Walk Alert: A National Pedestrian Safety Program Guide*. A pedestrian/school bus safety program, *Walk-Ride-Walk*, was released. A ~~NHTSA/FHWA~~ effort led to the development of a bicycle safety resource kit for use by state and local program managers.

**Essential Air Service.** The Department supported legislation that was passed to eliminate subsidized air service to communities that were either close to major hubs or whose subsidy was very high relative to the number of passengers using the service. The budget was reduced from ~~\$38.6~~ million in ~~FY 1993~~ to ~~\$33.4~~ million.

**Customer Service.** During ~~1993~~ and ~~1994~~, DOT became fully involved in the Administration's efforts to assist U.S. firms attempting to do business in foreign countries. The Department is a full member of the Trade Policy Coordinating Committee, chaired by the ~~DOC~~, and has created an internal Trade Promotion Task Force to coordinate trade advocacy efforts among DOT's modal administrations and ~~OST~~.

The Department provided assistance to U.S. firms wishing to do business in eastern Europe, Germany, Indonesia, Kazakhstan, Mexico, Pakistan, Russia, Saudi Arabia, Turkey, the United Arab Emirates, Venezuela, and Vietnam. Following the lifting of the ban on commercial activities in Vietnam, DOT efforts were effective in assisting a U.S. transportation firm to secure a ~~\$10~~ million contract with Vietnam.

**OST** initiated a Departmental customer service program to establish standards for all major customer segments. DOT's primary goal is to provide services to its various customers, comparable to or better than those provided by the best private sector businesses engaged in similar activities by emphasizing reliable access, competence, responsiveness, courtesy, and better communications.

To assist this effort, DOT joined the International Benchmarking Clearinghouse which provides departmental employees with greater opportunities for comparing and benchmarking customer service performance against the best in business. The clearinghouse

enables DOT to access an interactive computer network that produces the latest benchmarking information for any process of interest to employees.

The Department published nine customer service plans in high priority areas covering commercial fishing, recreational boating, airmen certification, motor carriers, rail safety, auto safety hotline, motor vehicle and traffic safety, state and community traffic safety, and Federal ship financing.

FAA placed continued emphasis on providing the public with useful, timely information. Methods included a brochure and videotaped public service announcement advising travelers how to "fly smart" for added safety, a consumer guide to chartering aircraft, electronic bulletin boards on aviation-related matters, and new procedures for response to Freedom of Information Act inquiries. ~~FAA~~ prepared a community involvement training course for employees, and provided guidance to airports and airlines on devices to assist disabled passengers in boarding commuter aircraft.

FAA prepared to implement the new National Route Program allowing aircraft to fly the most cost-effective route, instead of a predetermined route, with projected savings of more than 2 million pounds of jet fuel per month.

FAA acted to realize significant savings by initiating a **4-year** program to convert low-activity **ATC** towers to contract operation, and also pursued rulemaking to align fees charged for foreign aircraft transiting ~~U.S.~~-controlled oceanic airspace with the current cost of providing services.

**FHWA** initiated the Electronic Signature Program for Federal-aid highway project billings. Implemented in New York and New Jersey, this program allows states to transmit payment claims electronically, rather than hand carry them and wait for ~~FHWA~~ review and approval, reducing staff time, paperwork, and waiting time.

**MARAD's** Office of Acquisition received the Excellence in Customer Service Award for sustained excellence in customer service. The office forged an alliance with industry through ARPA and developed a contract administration review program that improved the overall effectiveness of its administration of contracts.

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SLSDC conducted a series of “Seaway Summits” with industry leaders and Canadian representatives in October 1993, and in January and May, on cost-containment, and cosponsored a Seaway “Industry Day” on March 17, in Montreal, on ways to improve the operational and financial viability of the system.

SLSDC worked with the Seaway Authority of Canada to reduce and simplify joint Seaway navigation regulations, drafted legislation for DOT that would waive the collection of U.S. Seaway tolls (passed by the Congress September 29, to become effective October 1), established a toll-free telephone number for customer information, and published a new customer service brochure titled *The Great Lakes St. Lawrence Seaway System*.

In February, SLSDC held public meetings in Chicago, Cleveland, and Duluth to obtain public reaction to Seaway toll proposals for 1994. Fifty-five witnesses appeared. There was unanimous support for the 1994 toll freeze and for the eventual elimination of Canadian Seaway tolls.

**Public Involvement.** In February, FHWA and FTA distributed *Innovations in Public Involvement in Transportation Planning*, a notebook which describes 14 public involvement techniques. FTA developed policy statements, guidance documents, and demonstration projects highlighting public participation in the transportation planning process. To develop these concepts further, FTA also developed *Livable Communities Initiative Guidance* that will assist communities in integrating local transportation planning with land use, air quality, economic development, and other locally expressed community needs.

**Auto Safety Hotline.** The Auto Safety Hotline, a toll-free service for consumers to report potential safety problems to NHTSA and receive recall and other highway safety information, provided services to 521,681 consumers. Hotline calls accounted for 85 percent of the defect investigations that were initiated.

**Motor Vehicle Information.** NHTSA issued an ANPRM requiring each passenger vehicle manufactured or sold in the United States after October 1, 1994, to have a label that displays the U.S./Canada parts content and the major foreign country parts content.

NHTSA devised a simplified format for presenting New Car Assessment Program test results. Each vehi-

cle is now scored by a star format of one to five, indicating the relative crash protection for each vehicle.

NHTSA completed 31 odometer fraud investigations and obtained 12 criminal convictions. Prison terms ranged from 5 to 57 months and a total of \$70,000 in restitution for victims was collected.

**Consumer Protection.** DOT issued six cease and desist orders, assessing \$390,000 in civil penalties, against U.S. and foreign air carriers and public charter operators in cases involving prohibited consumer practices in the air travel industry.

In *Air Transport Association of America v. City of Los Angeles*, the Department successfully brokered the settlement of a high profile Federal lawsuit brought by a number of airlines challenging new landing fees at the Los Angeles International Airport. The settlement avoided a threatened lockout of the suing airlines by the airport.

### Unauthorized Air Transportation Operations

**Enforcement.** DOT issued six cease and desist orders assessing a total of \$41,000 in civil penalties against U.S. and foreign air carriers involved in unauthorized operations. These carriers were operating without requisite DOT economic authority to the detriment of competing carriers and U.S. international aviation interests.

**International Aviation.** The Department’s international aviation representatives conducted 44 negotiations with 19 countries and 4 multilateral organizations, to perfect and expand US air transportation opportunities abroad and to remedy unfair practices against U.S. airlines.

To enable airlines to exercise international rights for the benefit of travelers and shippers, 1,500 requests from U.S. and foreign air carriers to add scheduled and charter services worth millions of dollars were processed.

DOT approved several major code-sharing applications found to be in the public interest because of the benefits they would provide to U.S. passengers, shippers, and communities.

To protect the travelling public from excessive fare increases and to safeguard U.S. carrier economic interests against mistreatment by foreign competitors and



## Strategic Goal 6: Put People First

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governments, the Department reviewed more than **26,000** electronic and paper tariff filings.

DOT handled seven complaints filed under the International Air Transportation Fair Competitive Practices Act.

FAA sponsored the **29th** Annual Asia Pacific Directors General Conference, which included exhibits by U.S. firms for **1200** visiting foreign officials from **40** countries.

A major rulemaking proposal to harmonize requirements for commuter and small airplanes, was published in July, and a like proposal for rotorcraft was also developed.

**U.S.-United Kingdom (UK) Arbitration: Heathrow Airport User Charges.** This **9-year** international arbitration concerning Heathrow's rate and charge structure was settled with changes to the structure favorable to U.S. airlines and payment of **\$29.5** million in compromise damages.

**USCG International Activities.** USCG worked with units from the UK, Mexico, the Netherlands, Bahamas, Belize, Panama, Honduras, and the Dominican Republic, and were sent to Albania and Colombia to help develop their naval forces. USCG Law Enforcement Detachments were deployed aboard U.S. Navy ships in the Adriatic Sea and the Persian Gulf in support of the sanctions against the former Yugoslavia and Iraq. USCG also trained many international students through Mobile Training Teams or at resident training courses. In response to its ever-widening role in the international arena, USCG developed an International Strategic Plan designed to coordinate its many international activities within a single framework.

**International Maritime Organization Activities.** The IMO adopted a U.S.-sponsored resolution on classification society standards, setting minimum requirements with which classification societies and other organizations should comply. By ensuring that certain essential standards are met, the risk of standard vessels causing damage or disruption to coasts, harbors, and waterways will decrease.

**Maritime Law Enforcement.** USCG seized **38** vessels engaged in illegal drug trafficking, assisted other agencies in **28** seizures, and participated in the inter-

diction of more than **38** tons of marijuana and **31** tons of cocaine, with a combined estimated street value of more than **\$3.17** billion. Boardings to protect U.S. fisheries resources and the fishing economy resulted in four vessel seizures and the issuance of more than **1,170** citations and administrative warnings. Law enforcement operations continued while several USCG units worked overtime to rescue and interdict migrants from countries including Cuba, Haiti, the Dominican Republic, and the PRC.

**Alien Migrant Interdiction Operations.** In what is considered to be the largest peacetime operation in USCG history, USCG vessels interdicted and rescued tens of thousands of Haitian and Cuban refugees who were attempting to cross into the United States in nearly continual waves of mass migration. Working closely with DOS, DOD, the Department of Justice, and the Immigration and Naturalization Service, USCG rescued and processed **26,013** Haitians and **38,500** Cubans without loss of life.

**DOT Participation in the Interagency Trade Policy Process.** The Department worked closely with USTR and other Federal Government agencies to ensure that U.S. transportation service providers and industries received every possible advantage from the world trading system. A wide range of international trade policy issues relating to transportation were addressed to include: negotiating with Japan on the increased use by Japan of U.S. auto parts, negotiating with the EU on government procurement, rewriting the U.S. Prototype Bilateral Investment Treaty, supporting petitions by U.S. railroads and U.S. shipbuilders to accelerate elimination of Canadian tariffs on railroad equipment and ship repairs, and negotiating with Eastern and Western Europe on a European Energy Charter Treaty to provide increased security for investors in the energy sectors of the Commonwealth of Independent States.

### **Asia Pacific Economic Cooperation (APEC).**

During **1993** and **1994**, DOT and DOS cochaired four meetings of the Transportation Working Group that operates as part of the larger, cooperative link between the United States and Pacific Rim countries known as APEC. The Department, as cochair of APEC's Transportation Working Group, oversaw two surveys of the APEC region—a transportation data survey, and a transportation systems survey. In addition, the Working Group instituted work on a transportation congestion points study, an electronic document interchange transport study, and a vehicle standards harmonization project.

## Strategic Goal 6: Put People First

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General Agreement on Tariffs and Trade (GATT). DOT played an active role in the conclusion of the Uruguay Round of trade negotiations under the auspices of GATT, continuing to support the substantive exclusion of U.S. air and maritime sectors from the services portion of the round as the most effective means of retaining U.S. leverage to advance market liberalization. DOT continued its participation after the round ended as extended post-round maritime negotiations began.

**Saudi Arabia Cooperation.** The United States and the Kingdom of Saudi Arabia extended to the year 2000, the Technical Cooperation Agreement (TCA) under the U.S.-Saudi Arabian Joint Commission on Economic Cooperation. The Department continued to administer the TRANSPORT Project under TCA, in cooperation with the Ministry of Communication. The project provides for an ongoing exchange of transportation technology.

**National Maritime Resource and Education Center (NMREC).** MARAD established NMREC to assist U.S. industries in shipbuilding and ship repair to improve their international competitiveness. The Center's Marine Industry Standards Library performs searches on domestic and international standards and provides technical assistance.

Under NMREC, MARAD will facilitate International Standards Organization (ISO) 9000 registration for the marine industry by identifying regis-

trars and providing information on related topics and activities by a trained MARAD auditor. MARAD will also work closely with standards developing bodies and USCG to help encourage adoption of voluntary standards. In addition, MARAD will support the U.S. Technical Advisory Group to the ISO Technical Committee on Ships and Marine Technology.

**Material Inspections.** Representatives of USCG and the American Bureau of Shipping signed a revised MOU that allows classification societies to conduct the majority of material inspections required by the Code of Federal Regulations. This resulted in targeting USCG inspectors' activities at the highest risk vessels, while giving the industry more flexibility in meeting inspection schedules.

**SLSDC.** SLSDC successfully negotiated a Seaway toll freeze with the Seaway Authority of Canada to cover the 1994 shipping season. This contributed significantly to the surge in Seaway cargo tonnages between April and the end of September. Overall tonnage moving through the Montreal to Lake Ontario section was up 17 percent over the previous year. Total ocean vessel traffic was up 50 percent, and the U.S./overseas trade component of the overall tonnage was up 28 percent over 1993. Helping to boost cargoes on the Seaway was the U.S.-Canadian decision to extend the vessel length maximum allowed through the locks from 730 to 740 feet, an incentive for larger vessels to carry more cargo through the Seaway

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## Strategic Goal 7: Transform DOT

**OBJECTIVE:** listen to our customers, both internal and external, and **provide** them with the quality services *that they want*.

**OBJECTIVE:** Cultivate **a responsive pro-active work ethic** that rewards **“getting it done.”**

The Department designated May 9 **Transportation Transformation Day** to celebrate and highlight National Performance Review (**NPR**) successes, future plans for continuous change initiatives, and recognize employees for their dedication and hard work. Headquarters organizations sponsored workshops which addressed strategic planning, customer service, and **reengineering**. Regional offices also sponsored events in Boston, Atlanta, Kansas City, San Francisco, and Seattle. During September, more than **76 NPR** celebrations were held around the country to mark the first anniversary of the **NPR** report and to recognize the Department's “Heroes of Reinvention.” DOT senior staff represented Vice President Gore at several field events by delivering messages on the principles of reinvention and presenting winning teams with the Vice President's Hammer Award.

DOT headquarters continued a program to achieve cost savings. Six floors in the headquarters building were retrofitted with high-efficiency lamps, reflectors, and electronic ballasts, for an annual energy savings of approximately **\$200,000**, and new, more energy efficient window heating and air conditioning units were installed on four floors of the DOT headquarters building, for an annual energy savings of **\$90,000**. The Department also reduced the number of aircraft used by passengers from **25** to **21**, resulting in lease and operating cost savings of **\$3.8** million.

**Government Performance and Results Act of 1993 (GPRA).** The Department has four pilot projects under **GPRA** (**USCG's** Marine Safety, Security, and Environmental Protection program, **FAA's** Airway Facilities Service, **FHWA's** Federal Lands Highway Office, and **NHTSA** in its entirety), all of which have

prepared **FY 1994** and **FY 1995** performance plans. The **FY 1994** plans prepared by **USCG** and **NHTSA** were among **10** Governmentwide rated exemplary by the Office of Management and Budget, and have been used as models for other agencies to follow. The Department trained key staff from each operating administration in strategic and performance planning and will continue to provide training opportunities for program managers and others who must develop quantified performance goals and measures under **GPRA**. DOT is beginning to develop performance goals for all major programs to improve program management, communication with constituencies, and budget decisionmaking.

**Financial Management.** Secretary **Peña** appointed the Assistant Secretary for Budget and Programs as DOT's Chief Financial Officer. The Department published a Financial Management Vision and Strategic Plan that will guide the financial management business strategy. In line with **NPR**, DOT streamlined the tracking and reporting process under the Federal Managers' Financial Integrity Act and improved internal processes.

The Department initiated an automated travel management system pilot. Increased authority for operating administrations' travel approvals and processing reduced outstanding travel advances by **36** percent, from **\$8.3** million, in **1993**, to **\$5.3** million, as of September **30**.

American Express provided a “productivity refund” to the Department for improved payment performance on travel charge cards, the largest Federal agency reimbursement.

## Strategic Goal 7: Transform DOT

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Efficiency in funds collection and disbursement continued to increase. The Department electronically processed about **87** percent of the dollar amount of its disbursements and had a **93** percent participation rate in direct deposit/electronic fund transfer for payroll, among the highest in the Federal Government. The volume of small purchase credit card activity increased from **\$69** million in **FY 1993** to **\$85** million in **FY 1994**.

### **Centralization and Computerization of Dockets.**

The Department is consolidating its separate modal docket offices into one facility to provide better public service and access, while increasing building security. Docket records will be stored in an electronic format to eliminate paper storage requirements, provide quality management, speed up search and retrieval of docketed information, and provide electronic access to customers.

**Legal Research Savings.** DOT “bundled” various agreements for computer-assisted legal research into a single, fixed-price, agencywide agreement at significant cost savings. This allows for substantially increased research capacity at **20** percent less cost.

**Codification.** The Office of General Counsel assisted in reorganizing, restating, and codifying Title **49** transportation laws.

**Improved Transportation Acquisition Regulation and Transportation Acquisition.** A major DOT review resulted in a streamlined acquisition process and improved service to customers by delegating functions to the lowest appropriate organizational level.

**50 Percent Reduction in Directives.** The Department eliminated **37,831** pages of internal directives, or approximately **14** percent.

**Streamlining the Workforce.** The Department’s workforce was reduced by **4,039** as a result of the buy-out initiative and other streamlining moves. More than **700** of these employees were senior level positions.

**Telecommuting.** DOT completed the congressionally mandated study, Transportation Implications of Telecommuting, in April **1993**, which recommended that the Department promote telecommuting to reduce traffic congestion, air pollution, energy consumption, and accidents. **NPR** delegated DOT the lead agency to promote and evaluate telecommuting in the Federal Government, state and local agencies, and

the private sector. In April **1994**, a departmental directive was issued establishing a telecommuting program for DOT employees. The Department has been working with the General Services Administration’s (GSA) program that established four telework centers in the Washington, DC, metropolitan area. DOT and GSA are planning to extend this approach to other metropolitan areas.

**Family Friendly Workplace.** The Department developed policies that allowed employees the opportunity to better balance their work and family lives.

Telecommuting, alternative work schedules, job-sharing, part-time employment, and leave to care for sick family members all became options for DOT employees.

**Workforce Education and Development.** DOT increased efforts to provide training for employees by forming a new Partnership in Education with Strayer College. In September, Strayer opened its first onsite Satellite Campus Program at headquarters to enable interested employees to begin earning their Bachelor of Science in Business Administration degrees. The DOT/Strayer Satellite Campus Program is open to all Federal employees.

DOT initiated a comprehensive training curriculum, titled “Dynamics of Transformation,” to assist managers and supervisors in coping with change.

As an alternative to conferences and training, the FAA initiated a long-distance learning pilot program with four video conferencing experiments.

**Workforce Diversity.** The Department continued its commitment to achieving workforce diversity. Although departmentwide hiring decreased, the percentage of DOT minority and female employees increased, as did their representation in **GS-14** and **-15** level positions. While senior executives decreased by **8** percent, female senior executives increased from **58** to **64** and minority senior executives rose from **37** to **42**.

**Alternate Dispute Resolution Initiative.** **DOCR** initiated a pilot program in FAA utilizing mediation as an informal tool for resolving Equal Employment Opportunity complaints. This program consists of a carefully selected group of volunteers with dispute resolution experience who were appointed collateral duty mediators. Since its inception in August, mediators resolved approximately **90** complaints.

# Strategic Goal 7: Transform DOT

**Electronic Data.** In September, FHWA completed all links for a nationwide datacommunications network with state highway offices through AASHTO-VAN, providing the basis for its participation in the Information Superhighway.

FTA's Electronic Grant Making program became fully operational in September. It will significantly reduce the time and paperwork required to complete grant applications, approvals, or awards, thus reducing both FTA and grantee administrative costs.



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# List of Acronyms

<b>ABS</b> - antilock braking system	<b>MMLD</b> - Merchant Mariner Licensing and Documentation
<b>ACAA</b> - Air Carrier Access Act of 1986	<b>MOU</b> - Memorandum of Understanding
<b>ADA</b> - Americans with Disabilities Act of 1990	<b>NAFTA</b> - North American Free Trade Agreement
<b>AFV</b> - alternative fueled vehicle	<b>NARC</b> - National Association of Regional Councils
<b>ANPRM</b> - Advance Notice of Proposed Rulemaking	<b>NASA</b> - National Aeronautics and Space Administration
<b>APEC</b> - Asia Pacific Economic Cooperation	<b>NEC</b> - Northeast Corridor
<b>ARPA</b> - Advanced Research Projects Agency	<b>NHS</b> - National Highway System
<b>ATC</b> - Air Traffic Control	<b>NHTSA</b> - National Highway Traffic Safety Administration
<b>CAFE</b> - Corporate Average Fuel Economy	<b>NMREC</b> - National Maritime Resource and Education Center
<b>CAP</b> - Coastal America Partnership	<b>NMS</b> - National Maritime System
<b>CNG</b> - compressed natural gas	<b>NPR</b> - National Performance Review
<b>EVO</b> - commercial vessel operation	<b>NPRM</b> - Notice of Proposed Rulemaking
<b>DBE</b> - Disadvantaged Business Enterprise/Entrepreneur	<b>NTS</b> - National Transportation System
<b>DGRS</b> - Differential Global Positioning System	<b>OCST</b> - Office of Commercial Space Transportation
<b>DOC</b> - Department of Commerce	<b>OIG</b> - Office of Inspector General
<b>DOCR</b> - Departmental Office of Civil Rights	<b>OPA '90</b> - Oil Pollution Act of 1990
<b>DOD</b> - Department of Defense	<b>OST</b> - Office of the Secretary
<b>DOS</b> - Department of State	<b>PRC</b> - People's Republic of China
<b>DOT</b> - Department of Transportation	<b>R&amp;D</b> - Research and Development
<b>EO</b> - Executive Order	<b>RFP</b> - request for proposal
<b>EPA</b> - Environmental Protection Agency	<b>RSPA</b> - Research and Special Programs Administration
<b>EU</b> - European Union	<b>S&amp;T</b> - science and technology
<b>FAA</b> - Federal Aviation Administration	<b>SLSDC</b> - Saint Lawrence Seaway Development Corporation
<b>FHWA</b> - Federal Highway Administration	<b>SUPs</b> - Suspected Unapproved Parts
<b>FRA</b> - Federal Railroad Administration	<b>TCA</b> - Technical Cooperation Agreement
<b>FTA</b> - Federal Transit Administration	<b>UK</b> - United Kingdom
<b>FY</b> - Fiscal Year	<b>USCG</b> - United States Coast Guard
<b>GATT</b> - General Agreement on Tariffs and Trade	<b>USTR</b> - United States Trade Representative
<b>GIS</b> - Geographic Information System	<b>VNTSC</b> - Volpe National Transportation Systems Center
<b>GPRA</b> - Government Performance and Results Act of 1993	<b>VTS</b> - Vessel Traffic Services
<b>GPS</b> - Global Positioning System	<b>WBE</b> - Woman-owned Business Enterprise/Entrepreneur
<b>GSA</b> - General Services Administration	<b>WMATA</b> - Washington Metropolitan Area Transportation Authority
<b>IMO</b> - International Maritime Organization	
<b>ISO</b> - International Standards Organization	
<b>ISTEA</b> - Intermodal Surface Transportation Efficiency Act of 1991	
<b>IVHS</b> - Intelligent Vehicle Highway System	
<b>LDT</b> - light displacement ton	
<b>MARAD</b> - Maritime Administration	
<b>MBE</b> - Minority Business Enterprise/Entrepreneur	







